

COINAGE OF DOUBLE EAGLES, ETC.

MARCH 19, 1884.—Referred to the House Calendar and ordered to be printed.

Mr. BLAND, from the Committee on Coinage, Weights, and Measures, submitted the following

REPORT :

[To accompany bill H. R. 5076.]

The Committee on Coinage, Weights, and Measures, to whom was referred House bill No. 5076, entitled "A bill limiting the coinage of double eagles and discontinuing the coinage of certain United States coins," report the same back with an amendment, and recommend the passage of the bill as amended.

Section 1 of the bill provides that the "three-dollar gold piece, the gold dollar, the trade dollar, and the three-cent copper-nickel coin shall not be struck or issued by the mints of the United States."

The coinage of the three-dollar gold piece was authorized in 1853, but in thirty years, to the close of the last fiscal year, the total coinage has amounted to only 521,864 pieces, of the value of \$1,165,592, nearly one-third of which were coined during the first year of their issue. At the outset it was found, as stated by J. Ross Snowden, Director of the Mint, in his report for 1854, that the demand for this coin was very slight; and at the present time it can be said, there is none whatever (except for proof pieces), for the reason, probably, as suggested by him, that the denomination does not harmonize with the decimal system or the division by halves and quarters, to which the people have been so long accustomed.

The one-dollar gold coin was authorized by the act of March 3, 1849, and over thirteen millions were issued from the mints within the first six years; but the coin soon became unpopular. It was found too small for convenient use, and a large number accumulated in the Treasury, of which, in the years 1872 and 1873, about 6,900,000 were sent from the Treasury to the Mint, melted up and coined into other denominations. The gold dollar is now practically out of circulation. The only calls upon the mints for it, according to the Director of the Mint, have been for many years from numismatists for cabinet specimens, and from jewelers for conversion into personal ornaments. Its place can well be supplied by the silver dollars and fractional silver coin now in the Treasury.

It is not necessary to continue the coinage of this denomination in order to have a coin of the actual value of the standard; 25.8 grains of gold nine-tenths fine, or 23.2 grains of pure gold, will still remain the standard of value.

Several countries in which gold is the standard of value issue no coin of the denomination corresponding to the national unit of account. In Germany gold is the standard and the mark is the unit of account; but the twenty, ten, and five-mark pieces are the only gold coins authorized

to be issued by the mints of that country. (Report of the Director of the Mint for 1873, page 84.)

In Italy, the lira; in Greece, the drachma, and in France and the other states of the Latin Union, the franc piece is the unit of account. But the value of the smallest gold coin issued by these countries is five times the unit of account. In Spain the unit of account is the peseta, but the smallest gold coin is the five-peseta piece. In the Scandinavian states, where gold is the standard, the unit is the crown, and the smallest gold coin the ten-crown piece.

The coinage of the three-cent copper-nickel coin should be discontinued. It is inconvenient on account of its size as well as denomination. It was originally authorized by the act of 1851, reducing the rate of letter postage to three cents, apparently to furnish a convenient coin for paying letter postage. The rate now having been reduced to two cents, if it is desirable to issue coin for that purpose, a two-cent bronze or copper-nickel coin would be preferable.

The coinage of trade dollars is discretionary with the Secretary, whenever in his judgment there is a demand for the coin for export.

Your committee believe that two silver "dollars," corresponding so nearly in size and shape, although differing in devices, weights, and values, should not be issued by the mints as coins of the United States, and that the coinage of trade dollars should be prohibited.

The second section of the bill prohibits the coinage into double eagles of more than twenty per cent. of the gold bullion in the mints belonging to the Government, under the provisions of section 3545 Revised Statutes.

Your committee believe that the coinage of money is a matter of national interest, and the precious metals should be coined into denominations that will not only be most convenient for use, but will secure the general diffusion and circulation of metallic money among the people, and especially of gold, which must be used rather than silver in settling the balances in international trade. In case of a heavy drain upon the banks and Treasury reserves, resulting from an adverse balance of trade, the consequent disturbances in monetary values will be comparatively slight and unimportant if the reserves can be really replenished from the coins in the hands of the people. This view seems to have influenced other Governments in establishing the value of the coins authorized to be issued, and in regulating the actual coinage of the various denominations. In England nearly all of the gold coinage has consisted of sovereigns, and although the double sovereign (less than \$10 in value) is authorized, yet in over seventy years but one hundredth of one per cent. of the total coinage has been of that denomination. So in France and Italy, comparatively few coins have been struck exceeding \$5 in value, the greater portion being in pieces of much less value than \$5. A table prepared at our request by the Director of the Mint is submitted which shows the values and total and relative coinage of the different denominations for the period stated in the principal commercial countries of the world.

The advantage to the circulation in coining gold into small denominations, and thereby diffusing it among the people, is seen in the history of France, in which, when gold began to arrive in large quantities from America, the Government increased the coinage of the smaller denominations in order to retain it in her circulation. Although this did not in itself wholly occasion, it at least assisted in the absorption by that country within thirty years of more than \$1,100,000,000 of gold coin, although possessing at the time an abundance of silver. This, as stated less than a year ago by M. De Parien, in the French Senate, was

done advisedly by the eminent minister who at that period had charge of the French finances. He increased the facilities for the diffusion and absorption of gold by coining larger proportions of ten and five franc pieces.

In the United States the gold coinage from 1804 to 1838 consisted wholly of half and quarter eagles, and prior to 1853 the eagle was the largest gold coin. The coinage of the double eagles was commenced in that year and amounted during the next thirty years to nearly \$900,000,000, being 84 per cent. of the total coinage. For the last ten years prior to the fiscal year 1879, scarcely 3 per cent. of the gold coinage was in denominations of less than \$20. During the last five years a large proportion of the gold coinage has been in eagles and half eagles, although of late it has been mostly in double eagles.

As was well said by Mr. Snowden, Director of the Mint, in 1856, and approvingly quoted by the present Director of the Mint:

The chief design of a national mint is to subserve the interests of the people at large preferably to a few large owners of bullion or coin. The interests of the public and of depositors are not always concurrent in the matter under discussion. Depositors of large amounts call for coin in a form which gives the least trouble to count; and banking institutions, in addition to that, may prefer it in a form not likely to be drawn out. Many who present their checks at these institutions would doubtless ask for specie, but are deterred from doing so by the expectation of securing double eagles instead of half or quarter eagles. In a word, the plain effect of issuing gold coin of a large size is to keep down the circulation of specie and increase the use of paper money. (Report of the Director of the Mint, A. D., 1856, page 4.)

The proposed amendment will not interfere with the right of the depositor to have his bullion coined into any denomination he may desire if he is willing to wait until it can be coined, but if he asks and receives immediate payment for the value of his bullion out of the "bullion fund" kept by the Secretary of the Treasury at the mint, he loses all claim to the bullion, or power to control its future disposition. Such gold then belongs to the Government, and should be coined into such denominations as will be most convenient for use in the ordinary, and even the smaller, business transactions, and secure its largest circulation in the country.

The additional section relates to the number of pieces required to be taken at every delivery by the coiner for the annual assay. The law now requires (section 3539 Revised Statutes) the superintendent in the presence of the assayer to take one piece for every one thousand pieces of gold coin, and one piece for each two thousand pieces of silver coin contained in each delivery, and to forward the pieces thus taken in sealed parcels to the Philadelphia mint.

Experience has shown, as the deliveries in some cases range as high as sixty or seventy thousand pieces, an unnecessary and bulky number, amounting, sometimes, to over 30 pieces required to be taken for large deliveries, is produced at the annual assay. The amendment proposed by the committee will necessitate the taking of more coins in case of small deliveries of less than 10,000 pieces, and reserve a sufficient number for all practical purposes in case of large deliveries.

PROPOSED AMENDMENT.

Add to the bill the following section:

"Section —. That section 3539 of the Revised Statutes be amended so that the number of pieces required to be taken for the annual trial of coins at every delivery by the coiner shall be two pieces of each variety for every delivery, and one piece additional for each ten thousand pieces or fractions less than that of each denomination of coin delivered."

COINAGE OF DOUBLE EAGLES, ETC.

Gold coinage of foreign countries and the United States, showing denominations, value, coinage of each by periods, and per cent. of each denomination to total coinage.

Country.	Period.	Denomination.	Value in United States money.	Coinage, by denominations.	Per cent. of each denomination to total.
England.....	1816-1882.....	Double sovereign	\$9 73.3	\$156,896	0.01
		Sovereign.....	4 86.6	1,045,501,795	91.38
		Half sovereign...	2 43.3	98,434,042	8.61
				1,144,092,733	
Australia.....	1855-1882.....	Sovereign.....	4 86.6	326,524,691	96.32
		Half sovereign...	2 43.3	12,471,427	8.61
				338,996,118	
France.....	1795-1882.....	100 francs.....	19 29.4	10,691,601	0.64
		50 francs.....	9 64.7	9,038,846	0.54
		40 francs.....	7 71.6	39,455,445	2.36
		20 francs.....	3 85.8	1,383,540,340	82.86
		10 francs.....	1 92.9	186,254,976	11.15
		5 francs.....	96.4	40,712,807	2.45
				1,669,694,015	
Italy.....	1803-1877.....	100 lire.....	19 29.4	2,660,126	2.83
		80 lire.....	15 43.2	4,303,390	4.57
		50 lire.....	9 64.7	133,034	0.14
		40 lire.....	7 71.6	13,085,917	13.91
		20 lire.....	3 85.8	71,186,058	75.64
		10 lire.....	1 92.9	2,152,007	2.28
		5 lire.....	96.4	590,366	0.63
				94,110,898	
Russia.....	1800-1878.....	Imperial.....	7 97.2	1,606,377	0.23
		Half imperial.....	3 98.6	640,377,138	90.23
		Three rouble.....	2 39.1	16,172,475	2.27
		Ducat.....	2 27.0	51,545,981	7.27
				709,701,971	
Germany.....	To 1879.....	20 marks.....	4 76.4	301,810,589	73.76
		10 marks.....	2 38.2	100,713,319	24.62
		5 marks.....	1 19.1	6,656,842	1.62
				409,180,750	
Austria.....	1880-1882.....	4 ducat.....	9 12.0	800,366	16.63
		8 florin.....	3 85.8	877,028	18.22
		Ducat.....	2 28.0	3,115,347	64.75
		4 florin.....	1 92.9	20,490	0.40
				4,813,231	
Portugal.....	1855-1879.....	10 milreis.....	10 80.4	464,540	7.97
		5 milreis.....	5 40.2	4,048,396	69.41
		2 milreis.....	2 16.0	1,245,672	21.36
		Milreis.....	1 08.0	73,501	1.26
				5,832,109	
Mexico.....	1875-1882 (except 1880).	20 pesos.....	19 67.9	4,012,782	88.56
		10 pesos.....	9 83.9	426,572	9.41
		5 pesos.....	4 91.9	67,291	1.49
		2½ pesos.....	2 45.9	10,618	0.23
		Peso.....	98.3	13,717	0.31
				4,530,980	
United States.....	1834-1883.....	Double eagle.....	20 00	977,190,040	73.73
		Eagle.....	10 00	159,774,800	12.06
		Half eagle.....	5 00	139,117,665	10.50
		Three dollars.....	3 00	1,565,592	0.12
		Quarter eagle.....	2 50	28,243,210	2.13
		Dollar.....	1 00	19,371,364	1.46
				1,325,262,671	

Table showing the coinage of gold in different countries for various periods, the percentage in pieces of different values, of the whole coinage, and the gold circulation at latest dates attainable.

Country.	Period.	Coinage during the period named.	In pieces of \$20 and over.	In pieces of \$10 and less than \$20.	In pieces of \$5 and less than \$10.	In pieces of \$2.50 and less than \$5.	In pieces of less than \$2.50.	Circulation.
			<i>Per ct.</i>	<i>Per ct.</i>	<i>Per ct.</i>	<i>Per ct.</i>	<i>Per ct.</i>	
England	1816-1882	\$1, 144, 092, 733	.....	.....	0. 01	91. 38	8. 61	\$587, 683, 000
Australia	1855-1882	338, 996, 118	.....	.....	.....	96. 32	3. 68	65, 000, 000
France	1795-1882	1, 669, 694, 015	.....	0. 64	2. 90	82. 86	13. 60	873, 000, 000
Italy	1803-1877	94, 110, 898	.....	7. 40	14. 05	75. 64	2. 91	160, 000, 000
Russia	1800-1878	709, 701, 971	.....	.....	0. 23	90. 23	9. 54	119, 769, 000
Germany	To 1879	409, 180, 750	.....	.....	.....	73. 76	26. 24	342, 720, 000
Austria	1880-1882	4, 813, 231	.....	.....	16. 63	18. 22	65. 15	44, 500, 000
Portugal	1855-1879	5, 832, 109	.....	7. 97	69. 41	.....	22. 62	30, 000, 000
Mexico	*1875-1882	4, 530, 980	.....	88. 56	9. 41	1. 49	0. 54	10, 000, 000
United States	1834-1883	1, 325, 262, 671	73. 73	12. 06	10. 50	2. 25	1. 46	606, 197, 000

* Except 1880.

